

## HOUSE BILL NO. 7

INTRODUCED BY W. MCNUTT

BY REQUEST OF THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION AND THE  
OFFICE OF BUDGET AND PROGRAM PLANNING

A BILL FOR AN ACT ENTITLED: "AN ACT APPROPRIATING MONEY TO THE DEPARTMENT OF NATURAL  
RESOURCES AND CONSERVATION FOR GRANTS FOR DESIGNATED PROJECTS UNDER THE  
RECLAMATION AND DEVELOPMENT GRANTS PROGRAM; PRIORITIZING GRANTS AND AMOUNTS;  
ESTABLISHING CONDITIONS FOR GRANTS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**NEW SECTION. Section 1. Appropriations for reclamation and development grants.** (1) There is  
appropriated to the department of natural resources and conservation from the natural resources projects state  
special revenue account, established in 15-38-302, up to \$800,000 to be used for planning reclamation and  
development grants to be awarded by the department over the course of the 2011 biennium.

(2) The amount of ~~\$5,042,865~~ \$6,227,122 is appropriated to the department of natural resources and  
conservation from the natural resources projects state special revenue account from funds allocated for the  
purpose of making reclamation and development grants ~~from the interest income of the resource indemnity trust  
fund as set forth in Title 15, chapter 38.~~

(3) The funds appropriated in subsection (2) must be awarded by the department to the entities listed in  
[section 2] for the prescribed purposes and in the prescribed grant amounts, subject to the conditions provided  
in [sections 2 through 4].

**NEW SECTION. Section 2. Approved grants and projects.** (1) The legislature approves the grants  
listed in subsection (2), to be made in the order of priority as indicated within the following list of projects and  
activities. If the conditions in [sections 3 and 4] are met, funds must be awarded up to the amounts approved in  
this section in order of priority. Funds not accepted by grantees or funds not used by higher-ranked projects and  
activities must be provided for projects and activities lower on the priority list that would not otherwise receive  
funding. ANY REMAINING PROJECT FUNDS MAY BE USED FOR RECLAMATION AND DEVELOPMENT PLANNING GRANTS

AUTHORIZED UNDER [SECTION 1] OR RENEWABLE RESOURCE PROGRAM PROJECTS AUTHORIZED BY THE 61ST LEGISLATURE IN HOUSE BILL NO. 6. Descriptions of the various projects and activities and specific conditions established for each project and activity are contained within the department of natural resources and conservation's reclamation and development grants program report to the 61st legislature for the 2011 biennium.

(2) The following are the grants program prioritized projects and activities:

Applicant/Project	Grant Amount
Montana Board of Oil and Gas Conservation	
(2009 Northern District Orphaned Well Plug and Abandonment and Site Restoration)	\$300,000
(2009 Southern District Orphaned Well Plug and Abandonment and Site Restoration)	\$300,000
Montana Department of Natural Resources and Conservation	
(Reliance Refinery)	\$300,000
Shelby, City of	
(Shelby Refinery)	\$300,000
Missoula County	
(St. Louis Creek Mine Reclamation)	\$300,000
Montana Department of Environmental Quality	
(Spring Meadow Lake Reclamation Project)	\$300,000
Cascade County Commission	
(County Shops Remediation of Wood Treatment Preservatives)	\$300,000
Montana Department of Environmental Quality	
(McLaren Tailings Reclamation Project)	\$300,000
Lewistown, City of	
(Reclamation of Berg Lumber Mill Site)	\$300,000
Ryegate, Town of	
(Former Ryegate Conoco)	\$259,200
<del>Montana Department of Environmental Quality</del>	
<del>(Emery Reclamation Project)</del>	<del>\$300,000</del>
Park County	
(Fleshman Creek Urban Restoration Project)	\$300,000
Butte-Silver Bow City-County Government	

1	(Butte Mining District Reclamation and Protection)	\$300,000
2	Missoula County	
3	(Ninemile Creek Mining District Reclamation)	\$200,800
4	Montana Department of Environmental Quality	
5	(Beal Mountain Mine, Waste Rock Dump Soil Cover)	\$300,000
6	Lewis and Clark Conservation District	
7	(York Gulch Old Amber Mine Reclamation)	\$83,207
8	Ruby Valley Conservation District	
9	(Big Hole Cooperative Ditch Improvement Project)	\$239,658
10	Montana Department of Natural Resources and Conservation	
11	(Monitoring Coal-Bed Methane Development Effects on Surface Water Quality	
12	of the Tongue and Powder Rivers)	\$195,000
13	<del>Montana Public Service Commission</del>	
14	<del>—(Geologic Evaluation of Potential Sites for Compressed Air Energy Storage in Montana)—</del>	<del>\$135,000</del>
15	Flathead Basin Commission	
16	(Flathead Lake Mapping Project)	\$294,977
17	Jefferson County	
18	(Ground Water Quality Assessment with Emphasis on Radionuclides)	\$300,000
19	Meagher County Conservation District	
20	(Hydrologic Framework and Water Budget of the Upper Smith River Watershed)	\$300,000
21	Custer County Conservation District	
22	(Yellowstone River Riparian Restoration)	\$177,881
23	Cascade County Commission	
24	(Sustainable Water Supplies from the Madison Aquifer, Central Montana)	\$286,792
25	Butte-Silver Bow City-County Government	
26	(Irrigation Demonstration Project for Butte Acidic Mine Waters --	
27	On-Site Treatment and Resource Recovery)	\$289,607
28	<u>(3) IF THE RELIANCE REFINERY CLEANUP IS FULLY FUNDED IN HOUSE BILL NO. 2, THEN THE GRANT REQUEST</u>	
29	<u>FOR THE MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION (RELIANCE REFINERY) PROJECT IN</u>	
30	<u>SUBSECTION (2) IS WITHDRAWN AND \$70,000 IS GRANTED TO THE CLARK FORK RIVER BASIN TASK FORCE FOR THE</u>	

1 WATER MANAGEMENT PLAN PROJECT.

2 ~~(3)~~(4) To the entities listed in this section, this appropriation constitutes a valid obligation of these funds  
3 for purposes of encumbering the funds within the 2011 biennium pursuant to 17-7-302.

4  
5 NEW SECTION. Section 3. Coordination of fund sources for grants program projects. A sponsor  
6 of a grants program project who has applied for a grant for that project under both the reclamation and  
7 development grants program and the renewable resource grant and loan program may not receive duplicate  
8 funding.

9  
10 NEW SECTION. Section 4. Conditions of grants. Disbursement of grant funds under [sections 1  
11 through 5] is subject to the following conditions that must be met by the project sponsor:

12 (1) A scope of work and budget for the project must be approved by the department of natural resources  
13 and conservation. Reduction in a scope of work or budget may not affect priority activities or improvements.

14 (2) Other funds required for project completion must have been committed, and the commitment must  
15 be documented.

16 (3) The project sponsor shall show satisfactory completion of conditions described in the  
17 recommendation section of the project narrative of the reclamation and development grants program report to  
18 the legislature for the 2011 biennium.

19 (4) An agreement between the department and the project sponsor must be executed in a timely manner,  
20 taking into consideration any changed conditions or circumstances that govern the administration and  
21 disbursement of funds.

22 (5) Any other specific requirements considered necessary by the department must be met to accomplish  
23 the purpose of the grant as evidenced from the application to the department or as defined by the legislature.

24  
25 NEW SECTION. Section 5. Other appropriations. There is appropriated to any entity of state  
26 government that receives a grant under [sections 1 through 4] the amount of the grant upon award of the grant  
27 by the department of natural resources and conservation. Grants to state entities from a prior biennium are  
28 reauthorized for completion of contract work.

29  
30 NEW SECTION. SECTION 6. COORDINATION INSTRUCTION. IF THE TOTAL TRANSFERS FOR THE RECLAMATION

1 AND DEVELOPMENT GRANTS AND LOANS RECLAMATION PROJECTS IN SECTION 51-F, ITEM 6, OF HOUSE BILL NO. 645 IS  
2 REDUCED BELOW A TOTAL OF \$1,794,266, THEN THE APPROPRIATION OF \$6,227,122 FROM THE NATURAL RESOURCES  
3 PROJECTS STATE SPECIAL REVENUE ACCOUNT FOR RECLAMATION AND DEVELOPMENT GRANTS IN [SECTION 1 OF THIS ACT]  
4 IS REDUCED BY A LIKE AMOUNT.

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6 NEW SECTION. Section 7. Effective date. [This act] is effective ~~July 1, 2009~~ ON PASSAGE AND  
7 APPROVAL.

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